

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PURCHASED GAS ADJUSTMENT	)	
FILING OF THE UNION LIGHT,	)	CASE NO. 7268-U
HEAT AND POWER COMPANY	)	

O R D E R

On April 13, 1979, the Commission entered its final Order in Case No. 7268, in which it prescribed new base rates and a purchased gas adjustment clause setting forth the wholesale rates upon which future purchased gas adjustments should be based when the wholesale cost of gas is increased, decreased or refunds are received.

On April 27, 1981, the Applicant, Union Light, Heat and Power Company, notified the Commission that it seeks to make a refund on its refund adjustment bases, as stated under Paragraph B of its gas cost adjustment provisions, as approved by the Commission in Case No. 7268, by Order dated April 13, 1979, and as presently stated on Third Revised Sheet No. 9, and First Revised Sheet No. 15, of its gas tariff, E.R.C. Ky. No. 2.

The Applicant has determined that \$52,718.98 is to be refunded to its gas customers as a result of implementing Columbia Gas Transmission Corporation's November 1, 1980, whole-sale rate increase. This increase was approved by the Commission on October 22, 1980, in Case No. 7268-0 and later was set aside on December 5, 1980, when the Commission was informed by the Federal Energy Regulatory Commission (Docket No. RP80-146) of a

five-month suspension to April 1, 1981.

The Commission's approved rate was effective for the period from November 1 through December 3, 1980. The refund amount has been determined by applying the difference in the gas cost adjustment to the appropriate volumes.

The amount available to the Applicant's customers has been determined to be \$52,719.98 which Applicant proposes to refund as described below.

(a) Amount available to off-peak customers has been determined to be \$4,230.92 and shall be refunded to the off-peak customers as a credit on the bill, as soon as practical.

(b) Amount available to firm customers, has been determined to be \$48,470.72 and shall be refunded to the firm customers at a rate of 11.0 cents per MCF as approved in Case No. 7268-Q, for approximately the next twelve months until the monies have been substantially distributed. At that time, billing shall revert to the then prevailing purchased gas adjustment rate.

After reviewing this evidence of record, and being fully advised, the Commission is of the opinion and finds that:

(1) The Applicant has on hand \$52,719.98 to be refunded.

(2) The refund shall begin with the Applicant's next billing cycle or as soon as practical.

(3) The said refund shall remain in effect until such time as the full amount has been returned to its customers.

IT IS THEREFORE ORDERED that the Applicant shall refund to its customers a total of \$52,719.98 in refunds and that said refund shall begin with the Applicant's next billing cycle or as soon as practical.

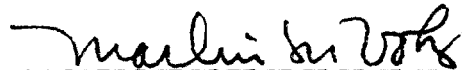
IT IS FURTHER ORDERED that upon completion of the refund authorized herein the Applicant shall notify the Commission of said fact and the amount refunded by class of customer.

IT IS FURTHER ORDERED that any monies not refunded within four (4) months of the effective date of this plan shall be credited with interest at six (6) percent and refunded also.

IT IS FURTHER ORDERED that the information furnished this Commission by the Applicant on April 27, 1981, constitutes full compliance with the Commission's requirements and Order in Case No. 7268, and other information ordinarily required under the Commission's regulations is hereby waived.

Done at Frankfort, Kentucky, this 13th day of May, 1981.

PUBLIC SERVICE COMMISSION

  
By the Commission

ATTEST:

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Secretary